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TAGS: [ECON](#) [PREL](#) [CH](#) [TW](#)

SUBJECT: CROSS-STRAIT TOURISM - TAIWAN WAITING FOR PRC
REPLY, DEAL POSSIBLE BY CHINESE NEW YEAR

REF: A. TAIPEI 2991

[1](#)B. TAIPEI 3147

[1](#)C. TAIPEI 3439

Classified By: AIT Deputy Director Robert S.Wang, Reason 1.4 d

[1](#)1. (C) Summary: According to a travel agency executive closely involved in cross-Straits discussions of tourism, Taiwan invited the PRC to consultations on tourism in Macau on October 20 and 21 but has not yet received a reply. The contact ruled out the possibility of a deal soon enough to allow more PRC tourists to arrive by the end of the year, but was optimistic that the two sides might reach agreement in time to see more arrivals during the Lunar New Year holiday next February. End Summary.

[1](#)2. (C) Taipei Association of Travel Agents Chairman Yao Ta-kuang, who has played a key role in informal industry-led cross-Straits discussions on further opening of Taiwan to PRC tourists, told AIT/T on October 18 that Taiwan had invited PRC counterparts to more formal consultations on tourism but had received no reply. Yao said the Taiwan Strait Tourism Association, Taiwan's designated representative for cross-Straits tourism discussions, had invited its PRC counterpart, the Cross-Straits Travel Exchange Association, to hold consultations in Macau on October 20 and 21. Taiwan proposed that the Deputy Director General of Taiwan's Tourism Bureau under the Ministry of Transportation and Communications lead its delegation. At this late date, it appears unlikely that consultations will take place that soon. Yao indicated that Taiwan would continue waiting for a response from the PRC.

[1](#)3. (C) Yao ruled out the possibility that the two sides would reach a deal quickly enough for PRC tourists to begin arriving in larger numbers before the end of the year. He predicted that at least two or three rounds of consultations would be necessary to conclude an agreement. However, he expressed optimism that the two sides might reach a deal in time to welcome more PRC tourists to Taiwan during the Lunar New Year holiday in February. Mainland Affairs Council Senior Secretary Lee Li-jane separately commented to AIT on October 18 that MAC still hopes a deal is possible in time for additional PRC tourists to arrive this year.

¶4. (C) Although the Taiwan government has stated that it will initially allow only 1,000 Mainland tourists per day to enter Taiwan, Yao said he hoped Taiwan would quickly expand those numbers to permit 3,000 per day for a total that would exceed 1 million visitors per year. Yao noted that despite a surge in PRC tourist visits to Taiwan after the PRC's April announcement of tourism opening mechanisms, PRC tourist entries had since fallen. He speculated that arrivals during China's "golden week" in early October would be down from a year earlier.

¶5. (C) Yao also noted that more than 500 Chinese tourism industry officials and executives would attend Taiwan's International Travel Fair in early November. He said that Vice Chairman Zhang Xiqing of the China National Tourism Administration would lead the Mainland delegation.
YOUNG